"Rural Hospitals Patient Choice Act"

HB 4441-4443 Testimony by Representative Frank Foster March 17, 2011

Chairman Haines, members of the committee, thank you for giving me the opportunity to speak to you today on behalf of the "Rural Hospitals Patient Choice Act", House Bills 4441-4443. I'd also like to give special thanks to Chair Haines, Rep. Muxlow, and Minority Vice Chair Liss for signing on to these bills.

The main bill of this package, HB 4441, embodies the effort to both improve patient choice of health care services and to eliminate unnecessary state regulation. The other two bills are necessary for technical amendments.

The Swing Bed Program is a federal program designed for smaller and rural hospitals. A "swing bed" refers to the use of a hospital bed that can swing between use as either an acute or a skilled nursing care bed. Currently Michigan is one of only three states that regulate swing beds at the state level.

This legislation would allow the 31 hospitals in Michigan who qualified for and have certificate of need approval for swing beds to offer patients the choice of a swing bed in the hospital, or a skilled nursing bed in another facility, usually a nursing home.

Under current Michigan law, a patient utilizing a hospital swing bed must be moved to a nursing home within five days of a bed being available. The hospital that has the patient is also required to contact every nursing home within a 50 mile radius and ask if a bed is available.

If a bed is offered, the patient must move even if the distance to the nursing home creates a problem for family members or if the patient would prefer to stay in the hospital. This contradicts federal law, which allows 100 days in a Swing Bed, if medically appropriate. Most states in the nation have updated their laws to comply with the federal standard; as usual, Michigan is behind the national trend and at the forefront of over-regulation.

If Michigan aligns itself with federal law, hospitals with Swing Beds would be able to keep patients in those beds for up to 100 days. Patients would be able to choose for themselves if they want to stay in the hospital, often in the same bed, or be moved to a skilled nursing facility. The key here is patient choice.

Some opponents will argue that this bill opens up competition for nursing homes that currently have little to no competition for providing skilled nursing care. This is true. I believe that competition is healthy, and similar moves in other states have not been shown to have detrimental effects on their nursing home industries.

The other truth is that there are simply very few swing beds in Michigan (294), compared to 47,379 nursing home beds.

At the end of the day, this act isn't about hospitals or nursing homes winning or losing. The biggest winners if these bills pass are Michigan patients who will have the choice of directing their own care. With the passage of these bills, Michigan's hospital patients and senior citizens will get to choose where they get treatment during one of life's most trying times.

In a legislative session where there are so many tough decisions, eliminating unnecessary regulation of our Swing Bed Program should be an easy one. No additional state funding is necessary to implement this change.

Medicare regulations remain fully in force and every Michigan hospital is highly regulated as a part of Medicare. Patient choice will be enhanced, and hopefully this will lead to better outcomes for patients and their family. Improved individual choice, less regulation, no increase in cost...I think this is a win all the way around.

Thank you for giving me the time to speak to you about this issue. I urge your support on this beneficial act for Michigan's citizens.